CIA/OER/S-06655-74 DATA REQUESTED FOR PFIAB MEETING DEC 74 CONF 01 OF 01

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**CENTRAL INTELLIGENCE AGENCY** WASHINGTON, D.C. 20505

CIA/OER/S-06655-74

5-6655 MICRO, ONLY,

4 December 1974

MEMORANDUM FOR: Mr. William Bray

Office of National Security Department of the Treasury

SUBJECT

: Data Requested for Tomorrow's

PFIAB Meeting

Soviet Sugar Speculation (SEE: NY Times 29 November 1974)

25X1X

- Soviets are in world sugar futures markets.
- One transaction for a USSR purchase of 100 thousand tons has been confirmed.
- USSR purchases of another 300-400 thousand tons 3) appear reasonable. We are questioning a 25X1X received today, stating that the USSR ordered 500,000 tons of sugar on the world market on 4 November.

## Total Imports of Wheat by Major Middle East and North African Countries

We have no evidence that Middle Eastern or North African countries are building up grain stockpiles or construction storage areas for grain to be used for market speculation. All countries that have financial ability want to hold larger stocks of grain than in recent years for food security or in some cases for military security (Egypt). Following are our volume estimates for major wheat importers in the area and reasons for the change in volume in FY 75 compared with FY 74.

> Im costible to Determine (whiles it to this, insert dute or event)

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	Thousand Met Estimated		
Country	US FY 74	US FY 75ª/	Reasons for Change
Iran	1,000	2,325	Poor crop, rising consumption and desire to raise low stock levels.
Iraq .	<b>,</b> 525	675	Poor crop in south and increased bread consumption in major cities.
Saudi Arabia	475	600	Government wants to raise rural living standards.
Turkey	· 520	1,250	Poor crop for second year in row, increasing food needs,
	•		and desire to raise the low stock level by about 250,000 tons.
Algeria	1,470	1,700	Second consecutive poor harvest.
Egypt	3,000	2,700	Wheat crop same size as last <b>y</b> ear. Some stocks may have
			been built up in FY 74, but these will be drawndown unless imports exceed 3 million tons in FY 75. Government wants to import 3.3 million tons of wheat.
Morocco	1,000	700	Record wheat crop will permit lower import level in FY 75
Nigeria	400	325	Better corn and sorghum crops will result in lower wheat imports.
TOTAL (rounded)	8,400	10,300	

25X1A

a/ Projections by CIA.



Chief
Agriculture and Materials Branch
Office of Economic Research

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